

**Governmental Health Group of Rhode Island
Minutes
Regular Meeting of the Board of Directors
Wednesday, February 27, 2008**

A regular meeting of the Board of Directors was held on Wednesday, February 27, 2008, at the Portsmouth Town Hall, 2200 East Main Road, Portsmouth, Rhode Island.

Roll Call

Board of Directors

Jane F. Correia	Director	Present
Shawn J. Brown	Director	Present
David P. Faucher	Director	Present
Harold "Ron" Devine	Director	Present
Miriam Goodman	Director	Present
Nancy Lalli	Director	Excused
Douglas Fiore	Director	Present
Giovanna Venditti	Director	Present

Alternate Board Members

Edward Mara	Alternate	Excused
Catherine McLeish	Alternate	Excused
Christine Tague	Alternate	Present
Robert Mushen	Alternate	Present
Maureen Macera	Alternate	Excused
Michael Saunders	Alternate	Present
Frances Gallo	Alternate	Excused
Vacant	Alternate	Excused

Others Present

Lynne Dible	Secretary	Present
Maureen Maurer	Recording Secretary	Present
Kevin Walsh	Group Benefits Strategies	Present

Call to Order

President Faucher called the meeting to order at 9:30 a.m. Secretary Dible reported that a quorum was present.

Agenda

A motion was made by M. Goodman, seconded by J. Correia, to approve the agenda for the February 27, 2008 regular meeting. The motion was approved unanimously.

Secretary's Report

A motion was made by J. Correia, seconded by D. Fiore, to approve the minutes (previously emailed) for the regular meeting held January 23, 2008. The motion was approved unanimously.

Treasurer's Report

S. Brown reported that there was income of about \$2,000,000 for the period ended January 31, 2008 with losses of about \$80,000 during the month of January 2008. There was no significant activity on the balance sheet. Dividend checks have been issued to the members that requested dividend payout.

A motion was made by J. Correia, seconded by M. Goodman, to receive the Treasurer's Report for the period ending 1/31/08. The motion was approved unanimously.

Warrants

At this time, Maureen Maurer from Aquidneck Employment Services (AES) was introduced to the group as the new Recording Secretary.

The letter from Aquidneck Employment Services outlining services and payment was distributed and reviewed. This letter reflects a GHGRI agreement to pay a flat rate of \$300.00 to AES. D. Fiore made a motion to amend the warrant item to include the \$300.00 a month payment to AES. S. Brown stated that he would rather add the amount of \$300.00 to the warrant upon receipt of the invoice. D. Fiore withdrew his motion to amend the warrant. A motion was made by S. Brown, seconded by J. Correia, to approve the February 2008 Warrant for the amount of \$401,452.49. The motion was approved unanimously.

Self-Funded Cost vs. Funding Analysis

K. Walsh provided a handout (previously emailed) and reviewed the Self-Funded Cost vs. Funding analysis for the policy period 7/1/07 – 6/30/08, which is at an overall cost/funding ratio of 93% for the seven month claims activity as of the end of January 2008. He also reviewed the High Cost Claim Report paid through January 2008, which included a claim from Central Falls for \$153,937.12.

OLD BUSINESS

Governor's FY2008 Supplemental Budget Provisions / legal opinion on issues and application of legislation

D. Faucher reported on the legislative hearing on Article 5 he attended at the State House. There was discussion on how this law might impact GHGRI's contract with the cities and towns or GHGRI's contract with BCBS, and whether the state could deliver on its promise of 17%

savings. H. Devine made a motion, seconded by C. Tague, for the Executive Committee to take appropriate action to draft and send correspondence to legislators who represent the various communities of GHGRI, to inform them of GHGRI's organization and purpose. The motion, was approved unanimously.

Evaluation of dental proposals for the GHGRI subset & Proposed Notification of CEOs and BCBSRI re: Joint Participation agreement Amendment to Article 8 to add dental plans

K. Walsh handed out a summary of the top 50 providers of dental services for Central Falls, Middletown, Woonsocket, and Portsmouth, and their participation in Delta Dental and BCBS RI. Everyone is currently with Delta Dental except Portsmouth. J. Correia made a motion, seconded by S. Brown, to formally approve the amendment to Article 8 (adding the phrase "or dental") to the Joint Participation Agreement. The motion was approved unanimously.

New Members' applications

K. Walsh reported that North Kingstown has decided not to join GHGRI because BCBS has offered them a discounted rate in order to retain their business. East Providence went with WBCH. There was discussion on the size of the entities joining GHGRI and which entity would receive a board seat. M. Saunders made a motion, seconded by S. Brown, to establish voting seats for those new members who have more than 250 members, and to have an at-large member to represent those entities smaller than 250. The vote was split: M. Saunders, M. Goodman, and S. Brown voted for, and D. Faucher, D. Fiore, H. Devine, J. Correia, and G. Venditti voted against this motion. H. Levine made a motion, seconded by J. Correia, to admit Richmond and Charlestown as new members and to have these entities annually rotate a voting board seat with Hopkinton who was admitted as a new member last month. The motion passed unanimously.

D. Fiore made a motion to admit Bristol/Warren as a new member, with one seat on the board to alternate between the Regional School Board and the Town. This motion was withdrawn, and D. Fiore made a motion, seconded by J. Correia, to admit Bristol, Warren and Smithfield Town and Schools as new members, with the one seat for Bristol/Warren alternating every year between the Regional School Board and the two Towns. The motion was approved unanimously.

Aquidneck Employment Agreement for Secretarial Recording

This Agenda item was addressed during the approval of the Warrant for March 2008 above.

Approaches to Ameliorate Annual Premium Increases

K. Walsh distributed a GHGRI 2007-2008 Funding Analysis that showed the various rate increases for each GHGRI member. There was discussion regarding some different approaches to smooth out annual rate increases on two different rating models, one with a single set of rates (a true risk sharing model) and one where each entity is rated on their own, but the board sets minimum and maximum increases. D. Faucher distributed an e-mail from the GHGRI Actuary, Bill Thompson from Milliman. There was a consensus to schedule before summer a single-item agenda meeting in order to bring the actuary, BCBSRI, GBS and the board together, including new members, for a discussion about these issues.

NEW BUSINESS

Board Voting status for new members with less than 200 contracts

This Agenda item was addressed during the New Member application discussion above.

Adjournment

A motion to adjourn at 11:40 p.m. was made by M. Goodman, seconded by J. Correia. The motion was approved unanimously.

The next regular meeting will be held on March 26, 2008, at Portsmouth Town Hall.

Respectfully submitted,

Lynne S. Dible, Secretary
Maureen D. Maurer, Recording Secretary